

Agenda Activity: Action
 Department: Flood Control District
 Category: Flood Control District
 Contact: Marilyn DeRosa
 Return to: Wanett Maxwell
 Location: FLOOD CONTROL OFFICE BLDG

Agenda Number: C-69-03-084-6-00
 Phone: 602-506-4766
 Continued from:
 Phone: 602-506-4433

Action Requested:

Adopt Resolution FCD 95-01A, Floodprone Properties Acquisition Program, Amendment 1 to Resolution FCD 95-01, the Alternative Flood Control Works Program. The Resolution authorizes use of the Floodprone Properties Acquisition Program in place of the Alternative Flood Control Works Program, the negotiation of Intergovernmental Agreements (IGAs) for acquisitions under the Program, and the inclusion of funds in the Five-Year Capital Improvement Projects (CIP) Budget for acquisitions under the Program.

Complete description of action requested:

The Board of Directors of the Flood Control District (Board) approved Resolution FCD 95-01 (PW67B) authorizing the Alternative Flood Control Works Program on September 6, 1995. The Program was developed to provide limited District funding for voluntary, non-structural flood mitigation measures, such as property acquisition, for residents located in floodprone areas where standard CIP projects were not cost-effective and were considered unfeasible, but risks to public safety and health due to flooding were present.

The District staff, building on recent experience, have revised and updated the Alternative Flood Control Works Program and amended it with the Floodprone Properties Acquisition Program to include more detailed implementation guidelines, prioritization criteria, property management, land costs and relocation procedures. As an amendment to the Alternative Flood Control Works Program, the Floodprone Properties Acquisition Program will continue to be a voluntary acquisition and relocation program with uniform guidelines and available annual funding, implemented to remove residents from floodprone areas.

This amended Resolution authorizes the Chief Engineer and General Manager of the Flood Control District of Maricopa County (District) to: 1) utilize the Floodprone Properties Acquisition Program in place of the Alternative Flood Control Works Program, and as a supplement to the District's Procedure for Identifying and Prioritizing Potential Five-Year CIP Project; 2) negotiate and prepare IGAs with local jurisdictions for property acquisition under the Program; and 3) to include funds in the Five-Year CIP Budget for property acquisition under the Program.

The Flood Control Advisory Board endorsed the plan on April 23, 2003. This project potentially impacts Supervisorial Districts 1, 2, 3, 4, and 5.

PERFORMANCE INFORMATION:

Program: Flood Hazard Remediation

Activity: Flood-Prone Property Acquisition

Performance Measure: % of eligible property acquired in the fiscal year.

Anticipated Results: Increased Public Safety and reduced flood hazards.

Goal Achievement: By 2007, the District will have the requisite number of 500 points to increase its CRS rating from a level 5 to a level 4. The District will also have assisted those communities in Maricopa County that are in the CRS program in adding points to achieve their next level, and will have assisted those communities that are not in the program to enter the program.

Expenditure Impact by FY(s):

FY 02/03 - \$0 estimated;

FY 03/04 - \$0 estimated;

FY 04/05 - \$500,000 estimated;

FY 05/06 - \$500,000 estimated;

FY 06/07 - \$500,000 estimated.

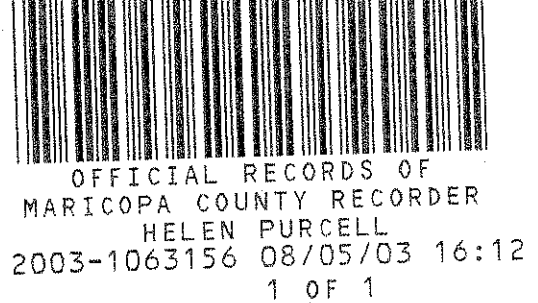
Frank McCarroll

Routing: Meeting Date: 07/30/2003			
Legend X=Pending A=Approved R=Rejected			
CNTY ENGR	LEGAL	MATL MNGT	OMB
A	A	A	A

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F. 6

7/18/2003



When Recorded Return to:
Contracts Branch
Flood Control District of Maricopa County
2801 West Durango Street
Phoenix, AZ 85009-6399

RESOLUTION FCD 95-01A
AMENDMENT TO RESOLUTION FCD 95-01
FLOODPRONE PROPERTIES ACQUISITION PROGRAM
Formerly the
ALTERNATIVE FLOOD CONTROL WORKS PROGRAM

Agenda Item: C-69-03-084-6-00

WHEREAS, on May 17, 1993, the Maricopa County Board of Supervisors adopted the *County-Wide Comprehensive Plan Goals, Policies and Standards* promoting efforts to protect and preserve water resources and minimize damage from flooding; and,

WHEREAS, the *Strategic Plan for Maricopa County* affirms the County's responsibility to protect its residents' health, safety, and welfare; and,

WHEREAS, Arizona Revised Statutes Section 48-3616 directs the Flood Control District of Maricopa County (District) to survey flood problems and plan for and implement flood hazard mitigation programs; and,

WHEREAS, Arizona Revised Statutes Section 48-3603 grants authority to the Board of Directors of the District (Board) to acquire real and personal property within the boundaries of the District for the benefit of the District; and,

WHEREAS, on September 7, 1993, the Board adopted Resolution FCD 88-8A amending the *General Policies Concerning the Allocation of Fiscal Resources to Accomplish the District's Functions and Responsibilities* to allow for utilization of the *Procedure for Identifying and Prioritizing Potential Five-Year CIP Projects*, or a comparable method, for evaluation and prioritizing future Capital Improvement Program (CIP) projects that are to be funded either wholly or partially by the District; and,

WHEREAS, the Flood Control Advisory Board, through implementation of the Fiscal Year 1994/1995 *Procedure for Identifying and Prioritizing Potential 5-Year CIP Projects*, determined a need for a program which addressed alternative flood mitigation measures for localized sites where potential structural solutions were not cost-effective, but risks to residents' health, safety, and welfare through flooding exist; and,

WHEREAS, on September 6, 1995, the Board approved Resolution 95-01 (PW67B), authorizing the *Alternative Flood Control Works Program* in order to provide limited District funding for voluntary, non-structural flood mitigation measures such as property acquisition or floodproofing that benefit individual floodprone residents located in areas where standard structural or nonstructural CIP projects were determined to be unfeasible; and,

WHEREAS, the Fiscal Year 2000/2001 strategic planning process for the District, Managing for Results, produced several Floodplain Management Goals for Fiscal Year 2001 through 2006, including projects that use innovative and resourceful operational and financial strategies; and,

WHEREAS, District staff, building on recent experience, have revised and updated the *Alternative Flood Control Works Program* to include more detailed implementation guidelines, prioritization criteria, and property management, land costs and relocation procedures, and renamed it the *Floodprone Properties Acquisition Program*; and,

WHEREAS, on September 18, 2002, the Board adopted the District's *Comprehensive Plan 2002, Flood Control Program Report* identifying the *Floodprone Properties Acquisition Program* as a component of the District's Action Plan which details activities to protect properties from flooding.

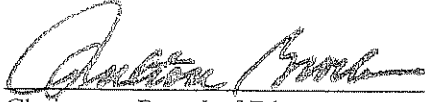
NOW, THEREFORE, BE IT RESOLVED that the Board hereby amends the *Alternative Flood Control Works Program* as adopted in Resolution FCD 95-01, and authorize the Chief Engineer and General Manager to utilize the *Floodprone Properties Acquisition Program*, attached hereto and incorporated herein as Exhibit 1, in place of the *Alternative Flood Control Works Program* and as a supplement to the District's *Procedure for Identifying and Prioritizing Potential Five-Year CIP Projects* when evaluating and prioritizing future CIP projects that are to be funded either wholly or partially by the District; and,

BE IT FURTHER RESOLVED that the Chief Engineer and General Manager of the District is authorized to negotiate and prepare intergovernmental agreements with local jurisdictions for property acquisition under the *Floodprone Properties Acquisition Program*, as appropriate; and,

BE IT FURTHER RESOLVED that the Chief Engineer and General Manager of the District is authorized to update and revise the *Floodprone Properties Acquisition Program*, as required; and present any proposed revisions to this Board for its review and approval; and,

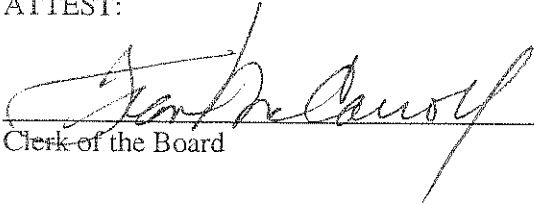
BE IT FURTHER RESOLVED that the Chief Engineer and General Manager of the District is authorized and directed to include funds in the District's current and future Five-Year CIP Budgets for property acquisition under the *Floodprone Properties Acquisition Program*, subject to prioritization by the District and subsequent approvals by this Board of future Five-Year CIP Budgets.

Dated this 30th day of July, 20 03.



Chairman, Board of Directors

ATTEST:



Clerk of the Board

Enclosure: Exhibit A, Resolution FCD 95-01A, Floodprone Properties Acquisition Program

[illegible]

POLICY STATEMENT

The Flood Control District of Maricopa County (District) promotes protection of the public from the dangers of flooding through a variety of flood management projects and programs. The District promotes allowing the floodplain to serve in its natural function whenever possible. To reduce the occurrence of repetitive loss to property and to protect the public, the District has worked with property owners on projects to remove them from harm's way. To facilitate this effort, the District developed a proactive "Alternative Flood Control Works Program" (Resolution FCD 95-01) to provide limited District funding for voluntary non-structural mitigation measures.

Building on recent experience, District staff worked to revise and update the “Alternative Flood Control Works Program,” and amend it with the *Floodprone Properties Acquisition Program*, as described herein. As an amendment to the “Alternative Flood Control Works Program,” the *Floodprone Properties Acquisition Program* will continue to be a voluntary acquisition and relocation program with uniform guidelines and available annual funding, implemented to remove properties from floodprone areas. The District’s power of eminent domain will not be invoked for acquisitions completed under this Program; the Program is completely voluntary. Acquired properties may serve a dual purpose as community open space in addition to handling floodwaters.

PURPOSE

The *Floodprone Properties Acquisition Program* builds on previous program efforts to provide another mechanism through which the District can achieve its mission of protecting the public from hazards due to flooding. Through implementation of the Program, the District will continue to allow limited funding for voluntary property acquisition to assist residents of floodprone properties where large-scale structural or non-structural CIP projects are considered unfeasible.

BACKGROUND

Less than 18 percent of the estimated 9,800 miles of stream corridor in Maricopa County have been mapped with regulatory floodplains and floodways. In many of the mapped areas, development took place prior to the floodplain mapping. As floodplains were delineated, many residents learned that their homes were within a regulatory floodplain. A recent analysis of the mapped floodplains and floodways shows over 22,000 homes or businesses in the 100-year floodplain, with more than 400 of these in an identified floodway. These homes are at a higher risk for flooding than those outside the floodplain and, when the floodplain is active, the presence of these structures in the floodplain can create adverse impacts to adjacent homeowners.

The District has undertaken a program to identify all of the floodplains within Maricopa County by 2010 using approximate methods. Over the next several years, as more lineal miles of regulatory floodplains are identified, the number of homes or businesses in the 100-year floodplain could significantly increase.

Prior to 1995, the District was not authorized to set aside funds annually to acquire properties in floodprone areas to protect the public from flooding hazards. District staff identified the need for a consistent, proactive program for addressing properties in these floodprone areas.

In February 1994, the Flood Control Advisory Board approved staff's recommendations for the FY 1994/1995 Prioritization Procedure. Included was a recommendation to develop a program that addressed alternative flood mitigation measures at localized sites that were subject to, or had high potential for, repetitive flood damage. Generally these sites, due to their localized nature, do not score well using the prioritization matrix, since potential structural solutions are not cost-effective for the limited number of homes affected. However, non-structural solutions such as property or easement acquisition may prove cost effective.

The "Alternative Flood Control Works Program" (Resolution FCD 95-01) was developed to fulfill this need. The Program was approved by the Board in September 1995, to act as a supplement to the District's *Procedure for Identifying and Prioritizing Potential Five-Year Capital Improvement Program (CIP) Projects*, which serves as the preferred method for developing funding priorities in the *General Policies Concerning the Allocation of Fiscal Resources to Accomplish the District's Functions and Responsibilities*.

The *Floodprone Properties Acquisition Program* as described herein (Resolution FCD 95-01A), will amend the previous program and will continue to act as a supplement to the District's Prioritization Procedure.

GOALS

The goals of the *Floodprone Properties Acquisition Program* are:

- To reduce the risk of injury, death, and property damage due to flooding by providing flood hazard remediation in the form of voluntary acquisition and relocation.
- To establish program criteria, guidelines, and funding for acquisition of properties in delineated floodplains.
- To identify all properties located in floodprone areas in Maricopa County that pose a threat to personal and public safety, and to identify similar properties in all future District studies.
- To encourage local jurisdictions to consider the removal of residents from floodprone areas through the *Floodprone Properties Acquisition Program*, and to allow negotiation of intergovernmental agreements (IGA's) with local jurisdictions for property acquisition under the Program.

The *Floodprone Properties Acquisition Program* is a voluntary program that will increase the District's and the District's client communities, economic, technical and administrative flexibility while improving beneficial floodplain characteristics. The Program is not intended to facilitate urban renewal or Community Development Block Grant projects or to allow non-structural, stand-alone CIP projects to bypass the requirements of the *Procedure for Identifying and Prioritizing Potential Five-Year CIP Projects*.

For some of the District's client communities, potential reductions in flood insurance premiums may be available through the National Flood Insurance Program's (NFIP) Community Rating System (CRS) program, which credits the acquisition of structures as a sound floodplain management method.

The Program will avoid conflicts with existing regulatory programs. For example, A.R.S. Section 48-3609 requires that nonconforming buildings or structures in a regulatory floodplain that are not used for 12 months or more, or are destroyed to the extent of 50 percent of its value, must come into compliance with the floodplain regulations before further use is authorized. Structures falling under this regulation

would not be eligible for acquisition by the District, but they may be eligible for federal funding through provisions of the NFIP.

BENEFITS

- Direct public safety benefit by providing flood mitigation for people living in floodprone areas.
- Direct and indirect economic benefits from reduced flood losses.
- Avoidance of costs of structural flood control projects.
- Reduced public costs for disaster assistance and emergency relief.
- Reduced public costs of emergency operations during flood disasters.
- Moderation of flood flows by allowing floodplains to function more naturally (reducing flow velocities, flow depths, and flood peaks).
- Protection of flora and fauna by providing and preserving natural open space and maintaining and preserving natural floodplain habitats.
- Providing multiple-use recreational opportunities (developed and facilitated by others).
- Water quality enhancement by reducing downstream turbidity.
- Increasing infiltration in the natural channels enhancing groundwater recharge.

AUTHORITY

The District has the authority to acquire properties under Arizona Revised Statutes Section 48-3603.

FUNDING

Funding for the *Floodprone Properties Acquisition Program* will be established annually as part of the District's CIP project prioritization process and included in the District's annual budget approval process. The funding level will be based on an assessment of requests received, funding availability, and relative priority of other CIP projects.

QUALIFYING CRITERIA

The following list describes the Program's qualifying criteria. A property must meet one or more of the following descriptions to be further evaluated using the established prioritization criteria.

- Property with an inhabited residential structure located in a delineated 100-year floodway, or floodplain if no floodway designation exists, and built prior to such designation.
- Property with an inhabited residential structure within a delineated 100-year floodplain that has experienced documented flood damage.

An "inhabited residential structure" is defined as a house, townhouse, condominium, apartment complex of four units or less, manufactured home, or mobile home designed to be used with a permanent structure, that is used principally for residence, and that is actually occupied by the owner or a tenant as a residence.

The resident must also show a valid building permit for the residential structure, except in those cases where the structure predates any city, town, or county building permit requirements, or the current owner is not the person that constructed the building. In the latter instance, the current owner must have lived in the home for at least one year.

Any property or structure that will benefit from a proposed future CIP drainage or flood control project is not eligible for this Program. Nonconforming residences in a regulatory floodplain that have not been

used for 12 months or more or are destroyed to the extent of 50 percent or more of their value will not be eligible for acquisition under this Program. Proposed projects will be submitted to the *Floodprone Properties Acquisition Program* Evaluation Committee and may be made at any time. The Top-Ranked properties will then be submitted by the Evaluation Committee to the annual CIP Prioritization Procedure process.

A set of Program Guidelines (Attachment 1) follow this Policy Statement and have been developed to establish the program implementation strategy, the prioritization methodology, a property management approach, and land costs and relocation procedures. With the approval of the Chief Engineer and General Manager of the Flood Control District, the Program Guidelines may be updated as required and presented to the Board for review and approval.

ATTACHMENT 1

FLOODPRONE PROPERTIES ACQUISITION PROGRAM GUIDELINES

PROGRAM IMPLEMENTATION

The following steps, which are illustrated in Figure 1, outline the tasks necessary to implement the *Floodprone Properties Acquisition Program*. Any property considered for acquisition under this Program must first be evaluated for eligibility, and subsequently be ranked using the prioritization criteria. Program implementation (from submittal of proposed properties to initiation of acquisition process) requires approximately 12 months to complete, and includes the following steps:

1. Floodprone areas are identified by District staff and/or local, state or federal agencies, and acquisition proposals for floodprone properties are submitted for evaluation to the *Floodprone Properties Acquisition Program* Evaluation Committee. Proposals for projects within the unincorporated County may be submitted by District staff, or directly to the District by the requesting resident. Proposals for projects within incorporated areas should be requested through the appropriate jurisdiction. Project proposals can be made at any time during the year.
2. The *Floodprone Properties Acquisition Program* Evaluation Committee determines if the proposed properties meet the eligibility requirements of the Program (i.e., location of property with respect to delineated floodway or floodplain; year delineation was completed vs. year residence was constructed; flood damage history of residence; if flood damaged, degree of damage and whether residence has been habitable during previous 12 months).
3. If proposed properties meet the initial eligibility criteria, District staff will determine whether the property is located within an area benefited by a possible future CIP project. If so, the property is ineligible for acquisition under the *Floodprone Properties Acquisition Program*.
4. The *Floodprone Properties Acquisition Program's* Prioritization Criteria (as described below) are applied to the eligible properties by the Evaluation Committee, and the eligible properties are assigned a numerical ranking.
5. The proposed CIP budget for the upcoming fiscal year, including funding for the *Floodprone Properties Acquisition Program*, is presented to the Board for their approval.
6. Once the CIP budget is approved by the Board, and ranking for the eligible properties has been completed by the Evaluation Committee, the "top-ranked" properties are identified dependent upon the approved CIP budget and other factors.
7. District staff initiates acquisition of the top-ranked properties by following the guidelines for the *Floodprone Properties Acquisition Program*, as set forth herein. The acquisition process begins with title searches and appraisals of the top-ranked properties, followed by acquisition offers, opening of escrow accounts, relocation of residents, closing of escrow accounts, demolition of property improvements, and ongoing maintenance or disposition of the property. This step will generally take six to 12 months to complete.
8. Eligible properties not identified as top-ranked during a budget cycle, and therefore not acquired during a given fiscal year, can be reconsidered during the subsequent budget cycle. District staff, the resident, or the appropriate jurisdiction will be required to confirm continued interest in the

Program by re-submitting the request to the Evaluation Committee. The proposed property will then be evaluated along with all other requests, without preference or prejudice.

PRIORITIZATION

Once it is established through the qualifying criteria that a property is eligible for the *Floodprone Properties Acquisition Program*, an evaluation will be completed to assist in prioritizing the requests. If the data necessary to complete the prioritization are not available, staff will work to develop approximate data to assist in the ranking. A discussion of the prioritization factors and the maximum number of points available for each factor follows.

Severity of Hazard

- Severity of Hazard = ≤ 25 points

The hazard analysis uses several variables to calculate a Hazard Ranking Factor (HRF). Variables include a Personal Hazard Factor (PHF) related to the depth and velocity of flow, a residence's chance of flooding, the residence's location with respect to erosion hazard zones, and a residence's Emergency Response Time (ERT). For the purposes of this Program, the HRF is used to evaluate relative risks and is calculated using the following formula:

$$A \times B \times C \times D = \text{HRF}, \text{ where;}$$

- A = PHF = the square of the overbank flow velocity (feet/second) times the flow depth (measured in feet at the residences finished floor) during the 100-year flood peak stage. A PHF of 18 or more is generally considered to be highly hazardous.
- B = The estimated percent chance that, during any given year, floodwaters will enter the residence or flow under a manufactured residence.
- C = Location in erosion hazard zone. When a detailed erosion hazard analysis is available, a residence should be assigned a factor of three (3) if located in a Severe Erosion Hazard Zone; a factor of two (2) if located in a Lateral Migration Erosion Hazard Zone; and a factor of one (1) if located in a Long-Term Erosion Hazard Zone. If a detailed erosion hazard analysis is not available, but a residence is in a State of Arizona or District designated Erosion Hazard Zone, a factor of two (2) should be assigned. If the residence is clearly outside any observable erosion hazard area, a factor of one (1) should be assigned.
- D = ERT = the calculated time between the most intense precipitation on the watershed and when the modeled flow reaches hazardous levels at the effected residences. This time interval is the time available to affect a coordinated flood warning and response. A residence should be assigned a factor of five (5) when the ERT is one hour or less; a factor of four (4) when the ERT is between one and three hours; a factor of three (3) when the ERT is between three and six hours; a factor of two (2) when the ERT is between six and 12 hours; and a factor of one (1) when the ERT is more than 12 hours.

Location of Residence

- Delineated 100-year floodway = ≤ 20 points
- Delineated 100-year floodplain fringe = ≤ 10 points

Project is eligible for points from only one of these categories. To qualify the residence must have been constructed prior to the area drainage regulations, or the floodplain delineation.

Economic Benefit

- Damage potential vs. property value = ≤ 10 points
- Cost for acquisition = ≤ 10 points
- Priority of the local jurisdiction = ≤ 10 points
- Local cost sharing = ≤ 10 points
- Potential for CRS credits = ≤ 5 points

Project is eligible to receive points from all these categories. Proposals for projects within incorporated areas must be requested through the appropriate jurisdiction.

Potential Impacts to Adjacent Properties

- Potential for reuse = ≤ 5 points
- Potential neighborhood impacts = ≤ 5 points

Project is eligible to receive points from both these categories. Evaluation must take into account the potential for reuse of the property as open space, for recreation, environmental mitigation, etc. In addition, impacts to surrounding neighbors must be considered including dislocation, reduced security, effects to property values, etc.

PROPERTY MANAGEMENT

The District will determine the appropriate disposition of any acquired properties in unincorporated Maricopa County. Per the terms of any applicable IGA or other agreement, the District and its cost-sharing partners will determine the appropriate disposition of any acquired properties in an incorporated municipality. In general, the District will remove any standing structures and subsequently dispose of the properties or require the properties be maintained and managed as open space.

LAND COSTS AND RELOCATION

The Program is available for single family or multi-family residences, including houses, townhouses, condominiums, apartment complexes of four units or less, manufactured homes, or mobile homes designed to be used with a permanent structure, that are used principally for residences, and that are actually occupied by the owner or a tenant as residences, including the associated lot, up to 10 acres in size. The Program is not available to commercial properties. Vacant parcels and attached properties such as agricultural and/or ranching lands do not qualify for the Program and are not eligible.

The value of the properties less than or equal to one acre in size, will be determined *without* consideration of the flood hazard encumbrance. If, however, the total acreage of the parcel exceeds one acre, then the acquisition cost will be a function of two elements:

1. The value of one acre (+/-), including the residence and ancillary out-buildings (i.e., garage, shed, barn, corral, etc.), will be based on fair market value, *without* consideration of the flood hazard encumbrance.
2. The value of the remaining real property (that property within the same parcel, but outside the one acre area of improvements) will also be based on fair market value, and be established by comparable sales or by estimating the value, *with* consideration of the flood hazard encumbrance.

These two values will be combined to determine the total acquisition cost. The owner can choose to accept an offer on the residential site alone, or both the residential site and remainder property. The District will provide the appraisal(s) at the time of making the offer (ARS 12-1116). All appraisals will be conducted by a licensed appraiser and reviewed and approved by District staff. Offers will be good for 45 days.

Acquisitions may also provide relocation assistance as determined by the District's Volunteer Sales Assistance Program.

FIGURE 1 – FLOODPRONE PROPERTIES ACQUISITION PROGRAM IMPLEMENTATION
(Cycle Requires Approximately 12 Months to Complete)

